

**First Regular Session
Sixty-sixth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 07-0355.01 Esther van Mourik

HOUSE BILL 07-1145

HOUSE SPONSORSHIP

Merrifield, Fischer, McFadyen, Solano, and Witwer

SENATE SPONSORSHIP

Gordon,

House Committees

Transportation & Energy

Senate Committees

Agriculture, Natural Resources & Energy

A BILL FOR AN ACT

101 **CONCERNING RENEWABLE ENERGY RESOURCES DEVELOPMENT ON**
102 **STATE LANDS MANAGED BY THE STATE BOARD OF LAND**
103 **COMMISSIONERS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Encourages the state board of land commissioners to identify land suitable and appropriate for development of renewable energy resources, and also encourages the board to collaborate with other federal and state entities and agencies.

Requires the state board of land commissioners to collaborate with the office of energy management and conservation to ensure that potential

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

SENATE
Amended 2nd Reading
March 26, 2007

HOUSE
3rd Reading Unamended
February 12, 2007

HOUSE
Amended 2nd Reading
February 9, 2007

renewable energy resource developers are aware of any lands identified by the board as being suitable for development of renewable energy resources.

Authorizes the state board of land commissioners to enter into leasing arrangements for renewable energy resources development and specifies requirements for those leasing arrangements.

Specifies that all existing leases on state lands for the development of renewable energy resources are validated.

Defines terms. Makes conforming amendments.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** 36-1-113 (1), Colorado Revised Statutes, is
3 amended to read:

4 **36-1-113. Leases - rental - mineral resources lands.** (1) The
5 state board of land commissioners may lease any portion of the land of
6 the state at a rental to be determined by it, except as provided in sections
7 36-1-118, ~~and~~ 36-1-147, AND 36-1-147.5. The lessee shall pay the annual
8 rental to the ~~state board, of land commissioners,~~ who shall receipt for the
9 same in the lease. Upon receiving such annual rental, the board shall
10 transmit the same to the state treasurer, as provided by law, and take his
11 OR HER receipt therefor. If geothermal resources or mineral resources are
12 found upon the state land, such land may be leased for the purpose of
13 removing therefrom such resources for such length of time and
14 conditioned upon the payment to the board of such royalty upon the
15 product as the ~~state board of land commissioners~~ may determine.

16 **SECTION 2.** 36-1-147 (1), Colorado Revised Statutes, is
17 amended to read:

18 **36-1-147. Geothermal leases.** (1) The state board of land
19 commissioners may lease any portion of the land of the state, or any
20 interest therein, for the purposes of exploring for, producing, and

1 developing the geothermal resources thereunder at a rental to be
2 determined by the board, except as provided in sections 36-1-113, and
3 36-1-118, AND 36-1-147.5.

4 **SECTION 3.** Article 1 of title 36, Colorado Revised Statutes, is
5 amended BY THE ADDITION OF A NEW SECTION to read:

6 **36-1-147.5. Leasing arrangements for renewable energy**
7 **resources development - legislative declaration - definitions.** (1) THE
8 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT SOME OF THE
9 PUBLIC LANDS UNDER THE DIRECTION, CONTROL, AND DISPOSITION OF THE
10 STATE BOARD OF LAND COMMISSIONERS ARE VIABLE FOR DEVELOPMENT
11 OF RENEWABLE ENERGY RESOURCES AND THEREFORE ARE OF UNIQUE
12 ECONOMIC VALUE TO THE STATE FOR THE FUNDING OF PUBLIC SCHOOLS.

13 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
14 REQUIRES:

15 (a) "BIOMASS" MEANS:

16 (I) NONTOXIC PLANT MATTER CONSISTING OF AGRICULTURAL
17 CROPS OR THEIR BYPRODUCTS, URBAN WOOD WASTE, MILL RESIDUE,
18 SLASH, OR BRUSH;

19 (II) ANIMAL WASTES AND PRODUCTS OF ANIMAL WASTES; OR

20 (III) METHANE PRODUCED AT LANDFILLS OR AS A BY-PRODUCT OF
21 THE TREATMENT OF WASTEWATER RESIDUALS.

22 (b) "RENEWABLE ENERGY RESOURCES" MEANS ENERGY DERIVED
23 FROM SOLAR, WIND, GEOTHERMAL, BIOMASS, AND HYDROELECTRICITY.

24 _____ A FUEL CELL USING HYDROGEN DERIVED FROM THESE ELIGIBLE
25 RESOURCES IS ALSO AN ELIGIBLE ELECTRIC GENERATION TECHNOLOGY.
26 FOSSIL AND NUCLEAR FUELS AND THEIR DERIVATIVES ARE NOT ELIGIBLE
27 RESOURCES.

1 (3) THE STATE BOARD OF LAND COMMISSIONERS SHALL EXAMINE
2 PROPERTY CURRENTLY UNDER THE DIRECTION, CONTROL, AND DISPOSITION
3 OF THE BOARD TO IDENTIFY LAND SUITABLE AND APPROPRIATE FOR
4 DEVELOPMENT OF RENEWABLE ENERGY RESOURCES. IN IDENTIFYING SUCH
5 PROPERTY THE BOARD SHALL COLLABORATE WITH THE NATIONAL
6 RENEWABLE ENERGY LABORATORY, UNIVERSITY OF COLORADO,
7 COLORADO STATE UNIVERSITY, AND COLORADO SCHOOL OF MINES. THE
8 BOARD SHALL ALSO WORK WITH FEDERAL LAND MANAGEMENT AGENCIES
9 TO PURSUE ANY STATE AND FEDERAL COLLABORATION FOR THE
10 DEVELOPMENT OF RENEWABLE ENERGY RESOURCES.

11 (4) THE STATE BOARD OF LAND COMMISSIONERS SHALL
12 COLLABORATE WITH THE OFFICE OF ENERGY MANAGEMENT AND
13 CONSERVATION TO ENSURE THAT POTENTIAL RENEWABLE ENERGY
14 RESOURCE DEVELOPERS ARE AWARE OF ANY LANDS IDENTIFIED BY THE
15 BOARD AS BEING SUITABLE FOR DEVELOPMENT OF RENEWABLE ENERGY
16 RESOURCES.

17 (5) THE STATE BOARD OF LAND COMMISSIONERS MAY LEASE ANY
18 PORTION OF THE LAND OF THE STATE, OR ANY INTEREST THEREIN, FOR THE
19 PURPOSES OF DEVELOPING RENEWABLE ENERGY RESOURCES AT A RENTAL
20 TO BE DETERMINED BY THE BOARD, EXCEPT AS PROVIDED IN SECTIONS
21 36-1-113, 36-1-118, AND 36-1-147.

22 (6) THE LEASING ARRANGEMENTS FOR RENEWABLE ENERGY
23 RESOURCES DEVELOPMENT AUTHORIZED BY SUBSECTION (5) OF THIS
24 SECTION SHALL INCLUDE PROVISIONS FOR:

25 

26 (a) ROYALTIES ON THE ENERGY PRODUCED THROUGH THE
27 RENEWABLE ENERGY RESOURCES; AND

1 (b) THE PROTECTION OF THE ENVIRONMENT, INCLUDING BUT NOT
2 LIMITED TO WILDLIFE HABITAT, AIR QUALITY, GROUND AND SURFACE
3 WATER QUALITY, AND LAND SURFACE.

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5 (7) ALL EXISTING LEASES ON STATE LANDS FOR THE DEVELOPMENT
6 OF RENEWABLE ENERGY RESOURCES ARE HEREBY VALIDATED AS THOUGH
7 THEY HAD BEEN ISSUED PURSUANT TO THE AUTHORITY OF THIS SECTION.

8 **SECTION 4. Effective date.** This act shall take effect at 12:01
9 a.m. on the day following the expiration of the ninety-day period after
10 final adjournment of the general assembly that is allowed for submitting
11 a referendum petition pursuant to article V, section 1 (3) of the state
12 constitution, (August 8, 2007, if adjournment sine die is on May 9, 2007);
13 except that, if a referendum petition is filed against this act or an item,
14 section, or part of this act within such period, then the act, item, section,
15 or part, if approved by the people, shall take effect on the date of the
16 official declaration of the vote thereon by proclamation of the governor.